STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES - PROCUREMENT DIVISION

CONTRACT NOTIFICATION

***** MANDATORY *****

CONTRACT NUMBER: **1-07-89-68**

DESCRIPTION: **COCOA MIX**

CONTRACTOR: **TITUS ENTERPRISES INC**

EFFECTIVE DATES: **7/ 1/2007** THROUGH **6/30/2008**

SUPERSEDES CONTRACT NO.: **1-05-89-68**

AREA: **STATEWIDE**

DISTRIBUTION: **SEE ATTACHED LABELS**

* TAX: Add appropriate sales and use tax.
Exempt from Federal Excise Tax.

*Food contracts are tax exempt.

Rita Hamilton

RITA HAMILTON, Deputy Director

Use of this agreement by all agencies is mandatory with monetary exceptions stated herein or contained in State Administrative Manual.

To obtain assistance or report non-compliance by supplier, or for any suggestions or recommendations write:

Department of General Services, Procurement Division, P.O. Box 989054, W. Sacramento, CA 95798-9054,
or call: Contract Administrator, **DAVE HENNING** 916-375-4544

Contract (Mandatory): 1-07-89-68

SUPPLIER ID:	721297
NAME:	TITUS ENTERPRISES INC
ADDRESS:	2651 E BYRD AVE FRESNO, CA 93706
CONTACT:	559-495-0890 PHIL SIMPSON
FAX NUMBER:	559-495-0891
TERMS OF PAYMENT:	1/2%; 10 DAYS
FOB:	Destination
MINIMUM ORDER:	5 DRUMS OR 10 CASE PER DELIVERY.

FEDERAL EMPLOYER IDENTIFICATION NUMBER: 77-0546674

OFFICE OF SMALL BUSINESS CERTIFICATION & RESOURCES REF. NUMBER: 21235

AGENCY NOTE: DRUG-FREE WORKPLACE CERTIFICATION

The supplier on this contract, by having submitted a signed contract (bid), certified under penalty of perjury under the laws of the State of California that the supplier(s) will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the actions required of Government Code Section 8355 (a), (b) and (c).

Based on the above, when ordering against this contract, using agencies are not required to have the contractor(s) submit a Drug-Free Workplace Certification.

FORCED, CONVICT, AND INDENTURED LABOR:

No foreign-made equipment, materials, or supplies furnished to the state pursuant to this contract may be produced in whole or in part by forced labor, convict labor, or indentured labor. By submitting a bid to the state or accepting a purchase order, the supplier agrees to comply with this provision of the contract.

SCOPE:

This contract covers the estimated State of California requirements for COCOA MIX for the period of July 1, 2007 through June 30, 2008. In addition, the contract will contain an option to extend the contract for one (1) additional year. The State and the suppliers must mutually agree upon the extension.

SPECIFICATIONS:

The offered products must be in accordance with the attached bid specification 8955-07BS-001 dated January 10, 2007.

All items furnished shall be latest pack on date of shipment and shall be first quality when grade is not specified.

DELIVERY AND ORDERING PROCEDURE:

The Supplier must receive agency Contract/Delegation Purchase Order (STD 65) and the delivery schedule 15 days prior to the requested first date of the delivery schedule. The Contractor will then confirm with the Institution its desired delivery schedule. All deliveries are to be made according to the requested delivery schedule or preferred one-time delivery date.

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The Supplier shall reject Agency's Contract/Delegation Purchase Order (STD 65), which fails to comply with the terms of the above paragraphs.

Such rejected Contract/Delegation Purchase Order (STD 65) may be re-submitted for delivery the following month.

Orders can be submitted up to the final day of expiration, however, your company will still be responsible for the deliveries on this contract up to 30-days past the expiration date of the contract.

EMERGENCY ORDERS/FREIGHT RATES:

If there is an emergency order the Supplier has the right to accept shorter delivery times, which will be subject to LESS-THAN-TRUCKLOAD (LTL) freight rates.

Supplier shall notify the ordering agency upon receipt of the order that such higher freight rates are forthcoming. Such notification shall be by telephone and confirmed in writing within 24 hours of receipt of any late order against this contract.

IN ADDITION TO NORMAL DELIVERY SCHEDULES IN ALL OTHER CALIFORNIA COUNTIES, THE CONTRACTOR IS REQUESTED TO MAKE DELIVERIES, DURING OFF PEAK HOURS, ONLY IN THESE AREAS LOS ANGELES COUNTY, ORANGE COUNTY, SAN BERNARDINO METROPOLITAN AREA, AND THE SAN DIEGO METROPOLITAN AREA. OFF PEAK HOURS ARE 10:00 A.M. TO 4:00 P.M.

DELIVERY TIMELINES:

This contract will be separate from any other contract. Deliveries shall NOT be withheld due to the unavailability of goods for delivery under any other contract. Failure to deliver goods in strict conformance with the terms and conditions of this contract will incur default action as provided for under Section 26 of the General Provisions. This includes timeliness of deliveries and quality levels of items received.

NOTE: Holding orders for full truckloads is not acceptable. If your company is found doing so, without authorization from the institution(s) being delivered to, your company can be found in default of the contract.

MARKING:

Each shipping case or shipping unit shall clearly indicate manufacturer or supplier, description of product, manufacturer's code number (if applicable) and net weight.

PALLETIZATION:

All pallets employed in the delivery of goods of this contract shall be of sturdy construction and adequate condition to assure delivery of the goods without damage to the goods or safety hazards.

Exchange pallets may be available. However, the State assumes no responsibility for the availability to exchange pallets. Delivery drivers shall not remove more pallets from the institutions than delivering at the time of delivery.

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USAGE REPORTS:

The Supplier is required to submit a detailed usage report every three months commencing from the date of award to the Procurement Division, Food Acquisitions Unit. This report is to include total quantities per item number, the total dollar amount ordered of each item, and a grand total for the three months for all orders issued by the using agencies. Invoice copies or list of purchase orders will not fulfill this requirement.

DELIVERY INSTRUCTIONS:

It shall be the supplier's responsibility to obtain proper clearance for delivery drivers prior to any and all deliveries throughout the California State Prison system. Contact the individual California State prison for its driver clearance procedure, as these procedures may vary from facility to facility. If you do not have proper clearance from an institution, it is up to the institution to accept delivery. The institution can reject any order without proper clearance, at the expense of your company.

QUALITY ASSURANCE:

A. The Supplier shall make available to each institution a reference guide to the quality levels of stocked items.

B. All products ordered shall be delivered under sanitary conditions and must be the items ordered, in the correct quantity and free of damage.

C. The supplier shall provide recall notification, regardless of level, to the contracting officer in writing and each institution through the most expedient method possible. The notices, at a minimum, shall include a complete product description and/or identification; contract and delivery order number; reason for recall; and disposition instructions. The supplier shall issue replacement product or credit for any product removed or recalled. Each facility shall have the option of accepting either replacement product or credit in exchange for recalled/removed product.

PRESERVATION, PACKAGING AND PACKING:

Unless otherwise specified, preservation, packaging and packing shall be to a degree of protection to preclude damage to containers and/or contents thereof under normal shipping conditions, handling, etc., shall conform to normal commercial practices and applicable carrier rules and regulations involving shipment from the contractor to the receiving activity for storage. Shipping containers shall be in compliance with National Motor Freight Classification and Uniform Freight Classification (issue in effect at time of shipment).

Foil, mylar and any material that may present a security or safety risk are not acceptable packaging materials.

PRICES:

Prices will be firm fixed for the duration of the contract.

30-DAY TERMINATION:

The State may terminate this agreement for convenience upon thirty (30) days written notice. Upon termination or other expiration of this contract, each party will assist the other party in an orderly termination of the contract, as may facilitate the orderly, non-disrupted business continuation of each party.

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INVOICING REQUIREMENTS:

The Supplier shall render invoices as instructed on individual orders. Invoices shall include the order number, the contract number, the item number, the description, the unit price, the extension, and the terms for payment.

QUANTITY:

Quantities shown for each line item are estimated and are the anticipated purchasing pattern. Actual purchases may vary from this pattern. The State will not be obligated to purchase supplier's excess inventory of any line item if actual purchases vary from the anticipated purchasing pattern. The State may purchase these items from other than the supplier in the event of an emergency.

CONTRACT DOLLAR VALUE:

If the contract dollar value plus 40% is expended before the expiration date, the supplier shall notify the Procurement Division, Food Acquisitions Unit. Such notification shall be in writing, submitted as soon as the supplier becomes aware of the overage, and include a statement of intention to either continue or terminate the contract. The supplier may continue to accept orders until the State returns a written decision of the disposition of the contract. The contract may be terminated by either party or, by mutual agreement, be allowed to continue until the expiration date or such other date mutually agree upon. The contractor shall refuse to accept any orders after a date set for termination, and the State may disclaim liability for any purchases made after such date.

The total dollar value of the contract is subject to a variance. If the expiration date occurs before the contract dollar value less 20% is expended, the contract will be extended, with the Supplier's agreement, until the minimum dollar value is reached.

The State shall be excused from purchasing the minimum contract quantities to the extent that such reduced requirements are caused by closure of State facilities, cancellation, or reduction of State programs or lack of appropriations.

MODIFICATION OF CONTRACT:

Delivery sites may be added, or deleted as deemed necessary by Department of General Services, Procurement Division.

This contract may be modified in whole or in part upon mutual agreement of of both parties. Such modifications shall be in writing, signed and dated by an authorized representative of each party.

EXTRAORDINARY EXTENSION OPTION:

In the event of an extraordinary circumstance the State may extend the contract for up to an additional year beyond the stated term and any noted extensions. Extensions during this period may occur in increments until the establishment of a new contract (not to exceed one-year). Exercise of this option may occur in the event that a replacement contract cannot be established due to the protest of an intent to award, or loss of key procurement staff, or extraordinary circumstance that would otherwise cause an unanticipated disruption in the contracting process.

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If necessary, prices may be increased during an extraordinary extension option period, to the extent that the the price is determined "fair and reasonable." Requests for price increase(s) shall include substantiated information to support the proposed increase (e.g., manufacturer's price list, significant changes in published market indicators for the industry, certified raw material cost data, and any other substantiating information as requested by the State). In no event will price increases be accepted with retroactive effective dates.

In the event of a price increase, any purchase orders accepted by the supplier before the issuance date of the increase must remain unchanged for up to thirty (30) days after the issuance of the increase. If a purchase order is submitted and accepted for a three (3) month order, the first thirty (30) days will be at the current contract price and the remaining days will be at the modified price of the contract.

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ITEM NO.	COMMODITY NO. SUPPLIER PART NO.	SUPPLIER NO.	UNIT	DESCRIPTION	UNIT PRICE
1	8955-920-1601-4	721297	DR	HOT COCOA MIX ADD WATER ONLY (25 LB DRUM) *** NOTE: PACKAGING MAY NOT CONTAIN METAL PARTS. *** MANUFACTURER: LANGLOIS BRAND: RICH-IN-ALL PACKAGING: 25 LBS. DRUM PRODUCT CODE: 27361	21.6000
2	8955-920-1563-0	721297	CS	HOT COCOA MIX ADD WATER ONLY (12/2 LB BAG/CS) MANUFACTURER: LANGLOIS BRAND: RICH-IN-ALL PACKAGING: 12/2 LB. BAGS/CS PRODUCT CODE: 07361	20.8500
3	8955-920-1102-8	721297	CS	HOT COCOA MIX INDIVIDUAL SERVING ADD WATER ONLY (500 INDIVIDUAL/CS) MANUFACTURER: AMERICAN COPAK BRAND: TITUS FOOD PACKAGING: 500 1-OZ. PACKETS/CASE PRODUCT CODE: 2753	39.7400
4	8950-909-0001-0	721297	VA	FOOD-DGS/PROCUREMENT USE ONLY	VARIABLE

STATE OF CALIFORNIA

DGS

Bid Specification 8955-07BS-001

Hot Cocoa Mix, Add Water Only

1.0 SCOPE

This bid specification establishes requirements for hot cocoa mix, add water only, packed in commercially acceptable containers suitable for use by State of California Institutions.

2.0 GENERAL REQUIREMENTS

2.1 The product shall comply with all applicable Federal & State mandatory requirements and regulations relating to the preparation, packaging, labeling, storage, distribution, and sales of the product within the commercial marketplace.

2.2 The product shall be prepared in accordance with the 21 CFR §110, Current Good Manufacturing Practice in Manufacturing, Packing, or Holding Human Food.

2.3 The product shall comply with the provisions of the Federal Food, Drug, and Cosmetic Act and regulations promulgated thereunder.

3.0 DESCRIPTION

3.1 The hot cocoa mix shall be free flowing granules with no caking.

3.2 The hot cocoa mix shall require only hot water to prepare.

3.3 The hot cocoa mix shall have a distinct chocolate flavor and a nice cocoa color.

3.4 The hot cocoa shall be free of rancid, bitter, musty, or other undesirable flavors or odors.

3.5 The hot cocoa shall be free of all types of foreign material as can be achieved through Good Manufacturing Practices.

3.6 The hot cocoa shall have a minimum shelf life of 3 months from the date of delivery.

3.7 The hot cocoa shall be available in 25 lb drums, 2 lb bags, and individual packages. Each individual package shall mix to provide 8 fluid ounces of hot cocoa.

4.0 PACKAGING/SHIPPING

4.1 The following information shall be indicated on each drum, bag, and packet:

- Manufacturer's/Distributor's name, brand name/logo, product name, and net weight.
- Statement of ingredients and nutritional information
- Manufacturer's code number
- Reconstitution instructions.

4.2 The following information shall be indicated on each shipping carton:

- Manufacturer's name and address
- Number and weight of individual containers inside the carton
- Net Weight of shipping carton
- Description of Product
- Manufacturer's code number

THE LANGLOIS COMPANY
www.LangloisCompany.com
10810 San Sevaine Way • Mira Loma, California 91752-1116 • (951) 360-3900 • Fax(95) 360-3465

PRODUCT

HOT CHOCOLATE DRINK MIX (Hot Cocoa) #361

FOOD GRADE

This product shall be of food grade and in all respects, including labeling, in compliance with the Federal Food, Drug, and Cosmetic Act of 1939 as amended and all applicable regulations thereunder.

DESCRIPTION

This fine product was developed to yield a high quality Hot Cocoa Drink with the simplest preparation possible. This Drink Mix is prepared by combining hot water with a Dry powder mix. This Hot Chocolate Mix has a distinct Chocolate flavor and a nice cocoa color. This product shall be free of rancid, bitter, musty, or other undesirable flavors or odors. The product shall be free of all types of foreign material as can be achieved through Good Manufacturing Practices.

CONTAINER

12/2 lb. Case. *(One case has 12 bags. Each bag weighs 2 lb.) 25# Carton*

PREPARATION

Add 1 Gallon of Hot Water for each 1 pound of Hot Cocoa Mix. Stir until product has dissolved.

YIELD

2 lb. Bag Yields 37 (8 oz.) Servings. 12/2 case Yields 450 (8 oz.) Servings

USES

Commonly used as a morning or evening beverage in place of coffee or tea. Kids really enjoy Hot Chocolate on cold mornings, and many adults drink it too.

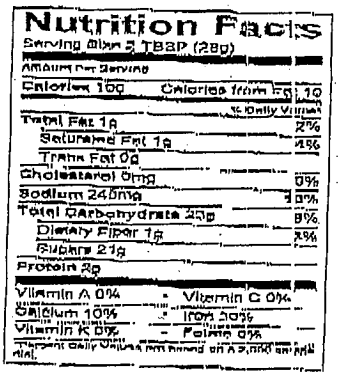
INGREDIENTS

Sugar, Whey,Cocoa,(treated with Alkali), Partially Hydrogenated Vegetable Oil.(contains one or more of the following Soybean, Cottonseed, Canola), Corn Syrup Solids, Sodium Caseinate, Salt, Artificial Flavors, Titanium Dioxide, Vegetable Gums (Cellouse & Arabic), Lecithin. 36110307

ALLERGENS

MAY CONTAIN: SOY, MILK

NUTRITION



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CONTAINER	12/2 lb. Case. *25# Carton, 25# Pail*
PREPARATION	Add 1 Gallon of Hot Water for each 1 pound of Hot Cocoa Mix. Stir until product has dissolved.
YIELD	1 lb. Yields 18 - 8 oz. Servings.
USES	Commonly used as a morning or evening beverage in place of coffee or tea. Kids really enjoy Hot Chocolate on cold mornings, and many adults drink it too.
INGREDIENTS	Sugar, Whey,Cocoa,(treated with Alkali), Partially Hydrogenated Vegetable Oil.(contains one or more of the following Soybean, Cottonseed, Canola). Corn Syrup Solids, Sodium Caseinate, Salt, Artificial Flavors, Titanium Dioxide, Vegetable Gums (Cellouse & Arabic), Lecithin. 36110307
ALLERGENS	MAY CONTAIN: SOY, MILK
NUTRITION	**Nutrition Facts** Serving Size 2 TBSP (28g) Amount Per Serving Calories 100 Calories from Fat 10 % Daily Value* Total Fat 1g 2% Saturated Fat 1g 4% Trans Fat 0g Cholesterol 0mg 0% Sodium 240mg 10% Total Carbohydrate 20g 8% Dietary Fiber 1g 3% Sugars 21g Protein 3g Vitamin A 0% • Vitamin C 0% Calcium 10% • Iron 35% Vitamin K 0% • Potash 0% *Percent Daily Values are based on a 2,000 calorie diet